

Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 TRSE-00 AID-05 AGRE-00 OES-07 IGA-02
NEA-10 CIAE-00 INR-07 NSAE-00 EB-08 COME-00 OMB-01
SP-02 L-03 DHA-05 /065 W
-----063247 260245Z /70
R 251500Z AUG 77
FM AMEMBASSY QUITO
TO SECSTATE WASHDC 5507
INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L QUITO 5732

DEPT. PASS AID

E.O. 11652: GDS
TAGSWR EAID EC
SUBJ: REOPENING THE AID PROGRAM IN ECUADOR

REF: A) STATE 189722, B) QUITO 4480

1. REFTEL STATED THAT DURING THE REVIEW OF ECUADOR'S
PARM BY THE INTER-DEPARTMENTAL GROUP FOR AMERICAN
AFFAIRS ON JULY 14, D/HA EXPRESSED ITS SUPPORT
FOR REOPENING THE AID PROGRAM IN ECUADOR ON THE GROUNDS
OF THE GOE'S RESPECT FOR HUMAN RIGHTS, AND MSC-
IG/ARA ASKED THAT EMBASSY SUGGEST ALTERNATIVES.
THE EMBASSY HAS ALSO LEARNED THROUGH CONSULTATIONS
OF MEMBERS OF THE MISSION IN WASHINGTON AND COPIES OF
MEMORANDA EXCHANGED WITHIN THE STATE DEPARTMENT POUCHED
TO THE POST, THE THOUGHT IS BEING GIVEN WITHIN AID TO
REBUILDING THE AID PROGRAM HERE. THE FOLLOWING IN-
FORMATION AND EMBASSY'S VIEWS ARE PUT FORTH FOR
CONSIDERATION IN RELATION TO A RESTORATION OF
THE AID PROGRAM HERE.

2. AID ACTIVITIES IN ECUADOR HAVE NOT ENTIRELY
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CEASED, ALTHOUGH THE AID MISSION HAS BEEN REDUCED
TO AN AID AFFAIRS OFFICE. THE RESIDUAL AND CON-
TINUING PROGRAMS OF AID ARE IN THE FIELD OF POPULATION
CONTROL, FOOD DISTRIBUTION THROUGH VOLAGS, RE-
IMBURSEABLE TECHNICAL ASSISTANCE, AND NARCOTICS
(WHICH WE WERE RECENTLY NOTIFIED WILL BE INTEGRATED
INTO STATE).

3. THE EMBASSY BELIEVES THAT ECUADOR, AS ONE OF THE FIVE LEAST-DEVELOPED COUNTRIES IN THIS HEMISPHERE, HAS DEVELOPMENTAL NEEDS THAT MIGHT BE WELL SERVED BY A LARGER AND MORE ACTIVE AID PROGRAM, AND THROUGH STEPPED-UP CONCESSIONAL ASSISTANCE FROM INTERNATIONAL LENDING INSTITUTIONS. (SEE REFTEL B FOR A DISCUSSION OF ECUADOR'S NEED FOR CONCESSIONAL DEVELOPMENT LOANS.) EMBASSY ALSO BELIEVES THAT AN INCREASE IN THE CURRENT AID PROGRAM COULD HAVE POSITIVE BENEFITS IN TERMS OF OUR BILATERAL RELATIONS. WE HAVE, HOWEVER, SPECIFIC SUGGESTIONS ABOUT THE NATURE, SIZE AND TIMING OF A RENEWED AID EFFORT IN ECUADOR.

4. ACCORDING TO CURRENT PROJECTIONS THE RETURN OF GOVERNMENT TO CIVILIANS THROUGH THE PRESIDENTIAL ELECTION PROCESS SHOULD BE COMPLETED AND A NEW PRESIDENT TAKE OFFICE IN ABOUT JUNE 1978. TO OBTAIN THE MAXIMUM BENEFIT IN TERMS OF TIMING, ANY SUBSTANTIAL INCREASE IN THE AID PROGRAM IN ECUADOR SHOULD NOT TAKE PLACE UNTIL THE ASSUMPTION OF POWER OF A CIVILIAN, CONSTITUTIONAL GOVERNMENT. EMBASSY RECOMMENDS THAT DISCUSSION OF RENEWAL OF PROGRAMS WITH THE GOE THEREFORE BE DELAYED UNTIL A NEW PRESIDENT HAS TAKEN OFFICE. RENEWAL OF AID PROGRAM AT THAT TIME WOULD NOT ONLY GIVE RECOGNITION TO ECUADOR'S EXCELLENT
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HUMAN RIGHTS RECORD BUT ALSO DEMONSTRATE U.S. ENDORSEMENT OF DEMOCRATIC GOVERNMENT, AND HOPEFULLY INCREASE USG INFLUENCE WITH THE NEW REGIME. CONVERSELY, SHOULD THOSE ELEMENTS IN ECUADOR WHICH ARE OPPOSED TO A RETURN TO DEMOCRATIC RULE BE SUCCESSFUL IN THWARTING THE PRESENT PLANS FOR RETORNO, WE WOULD NOT BE IN A POSITION OF HAVING STARTED AN EXPANDED AID PROGRAM WHICH WE MAY THEN WISH TO CUT OFF.

5. EMBASSY BELIEVES ANH FUTURE PROGRAMS SHOULD BE LIMITED IN SIZE IN TERMS OF BOTH STAFFING AND PROGRAM, BOTH FOR POLITICAL REASONS AND EFFICIENCY. THE NEW AID AFFAIRS OFFICER, WHOM WE ARE TOLD WILL ARRIVE IN OCTOBER, SHOULD HAVE TIME PRIOR TO THE ASSUMPTION OF POWER BY A CIVILIAN PRESIDENT TO STUDY THE SITUATION AND MAKE RECOMMENDATIONS REGARDING THE NATURE OF A NEW PROGRAM. EMBASSY'S CURRENT VIEW IS THAT INITIAL PROGRAMS SHOULD BE IN THE AREA OF TRAINING AIMED AT INSTITUTION-BUILDING WITH POSSIBLE LATER CONSIDERATION OF GRANT TECHNICAL ASSISTANCE PROBABLY AIMED AT AGRICULTURAL SECTOR.

6. EMBASSY WOULD BE ENTHUSIASTIC ABOUT A RENEWED
AID PROGRAM ALONG THE LINES SUGGESTED ABOUT.
BLOOMFIELD

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
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Current Classification: UNCLASSIFIED
Concepts: PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Sent Date: 25-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
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Errors: N/A
Expiration:
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Format: TEL
From: QUITO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770823/aaaaatfx.tel
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